

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re: Horizon Ridge Medical & Corporate Center, LLC

Case No. 12-13906-LBR

**CHAPTER 11
MONTHLY OPERATING REPORT
(SMALL REAL ESTATE/INDIVIDUAL CASE)**

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: 12/31/13PETITION DATE: 04/02/12

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).

Dollars reported in \$1

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of Petition Filing</u>
2. Asset and Liability Structure			
a. Current Assets	\$296,217	\$275,408	
b. Total Assets	\$4,271,217	\$4,250,408	\$4,447,807
c. Current Liabilities	\$0	\$0	
d. Total Liabilities	\$4,130,837	\$4,130,837	\$4,130,837
			<u>Cumulative (Case to Date)</u>
3. Statement of Cash Receipts & Disbursements for Month	<u>Current Month</u>	<u>Prior Month</u>	
a. Total Receipts	\$31,398	\$34,725	\$805,700
b. Total Disbursements	\$35,137	\$34,845	\$401,170
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	(\$3,740)	(\$119)	\$404,530
d. Cash Balance Beginning of Month	\$187,553	\$197,167	\$3,092,642
e. Cash Balance End of Month (c + d)	\$208,362	\$187,553	\$3,497,172
4. Profit/(Loss) from the Statement of Operations	N/A	N/A	N/A
5. Account Receivables (Pre and Post Petition)	\$0		
6. Post-Petition Liabilities	\$0		
7. Past Due Post-Petition Account Payables (over 30 days)	\$0		

At the end of this reporting month:

	<u>Yes</u>	<u>No</u>
8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)		X
9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)		X
10. If the answer is yes to 8 or 9, were all such payments approved by the court?		X
11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)		X
12. Is the estate insured for replacement cost of assets and for general liability?	X	
13. Are a plan and disclosure statement on file?	X	
14. Was there any post-petition borrowing during this reporting period?		X
15. Check if paid: Post-petition taxes <u>x</u> ; U.S. Trustee Quarterly Fees <u>x</u> ; Check if filing is current for: Post-petition tax reporting and tax returns: <u>x</u> . (Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)		

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 2/18/2014

/s/Rick Abelson
Responsible Individual

BALANCE SHEET
 (Small Real Estate/Individual Case)
 For the Month Ended 12/31/13

Assets	Check if Exemption Claimed on Schedule C	Market Value
Current Assets		
1 Cash and cash equivalents (including bank accts., CDs, etc.)		\$208,362
2 Accounts receivable (net)		
3 Retainer(s) paid to professionals		
4 Other: Tenant Improvements		\$87,855
5		
6 Total Current Assets		\$296,217
Long Term Assets (Market Value)		
7 Real Property (residential)		
8 Real property (rental or commercial)		\$3,975,000
9 Furniture, Fixtures, and Equipment		
10 Vehicles		
11 Partnership interests		
12 Interest in corporations		
13 Stocks and bonds		
14 Interests in IRA, Keogh, other retirement plans		
15 Other:		
16		
17 Total Long Term Assets		\$3,975,000
18 Total Assets		\$4,271,217
Liabilities		
Post-Petition Liabilities		
Current Liabilities		
19 Post-petition not delinquent (under 30 days)		
20 Post-petition delinquent other than taxes (over 30 days)		
21 Post-petition delinquent taxes		
22 Accrued professional fees		
23 Other:		
24		
25 Total Current Liabilities		\$0
26 Long-Term Post Petition Debt		
27 Total Post-Petition Liabilities		\$0
Pre-Petition Liabilities (allowed amount)		
28 Secured claims (residence)		
29 Secured claims (other)		\$4,122,364
30 Priority unsecured claims		
31 General unsecured claims		\$8,473
32 Total Pre-Petition Liabilities		\$4,130,837
33 Total Liabilities		\$4,130,837
Equity (Deficit)		
34 Total Equity (Deficit)		\$140,381
35 Total Liabilities and Equity (Deficit)		\$4,271,217

*Debtor disputes Bank of America's asserted claim and contends that Bank of America's claim does not exceed \$3.87 million as of the petition d

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

SCHEDULES TO THE BALANCE SHEET**Schedule A
Rental Income Information****List the Rental Information Requested Below By Properties (For Rental Properties Only)**

	<u>Property 1</u>	<u>Property 2</u>	<u>Property 3</u>
1 Description of Property	<u>2610 Horizon Ridge Pkwy</u>	<u></u>	<u></u>
2 Scheduled Gross Rents	<u>\$36,100</u>	<u></u>	<u></u>
Less:			
3 Vacancy Factor	<u>\$3,958</u>	<u></u>	<u></u>
4 Free Rent Incentives	<u></u>	<u></u>	<u></u>
5 Other Adjustments	<u></u>	<u></u>	<u></u>
6 Total Deductions	<u>\$3,958</u>	<u>\$0</u>	<u>\$0</u>
7 Scheduled Net Rents	<u>\$32,142</u>	<u>\$0</u>	<u>\$0</u>
8 Less: Rents Receivable (2)	<u></u>	<u></u>	<u></u>
9 Scheduled Net Rents Collected (2)	<u>\$32,142</u>	<u>\$0</u>	<u>\$0</u>

(2) To be completed by cash basis reporters only.

**Schedule B
Recapitulation of Funds Held at End of Month**

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>
10 Bank	<u>Nevada State Bank</u>	<u>Wells Fargo</u>	<u>Wells Fargo</u>
11 Account No.	<u>x1491</u>	<u>xxxxxx2734</u>	<u>x4665</u>
12 Account Purpose	<u>Operating</u>	<u>(Combined)</u>	<u>(DIP)</u>
13 Balance, End of Month	<u>\$33,581</u>	<u>\$143,362</u>	<u>\$31,419</u>
14 Total Funds on Hand for all Accounts	<u><u>\$208,362</u></u>		

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 12/31/13

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Rent/Leases Collected	\$29,844	\$726,415
2	Cash Received from Sales		
3	Interest Received		
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7	Parking	\$210	\$3,919
8	Signage	\$175	\$5,110
9	Sewer/Water Pass thru	\$350	\$14,205
10	CAM Charges	\$1,031	\$22,682
11	Late Fees/Processing Fees	(\$213)	\$33,368
12	Total Cash Receipts	\$31,398	\$805,700
Cash Disbursements			
13	Selling		
14	Administrative		
15	Capital Expenditures		
16	Principal Payments on Debt		
17	Interest Paid		
	Rent/Lease:		
18	Personal Property		
19	Real Property		
	Amount Paid to Owner(s)/Officer(s)		
20	Salaries		
21	Draws		
22	Commissions/Royalties		
23	Expense Reimbursements		
24	Other		
25	Salaries/Commissions (less employee withholding)		
26	Management Fees		
	Taxes:		
27	Employee Withholding		
28	Employer Payroll Taxes		
29	Real Property Taxes		
30	Other Taxes		
31	Other Cash Outflows:		
32	Administrative	\$1,691	\$5,129
33	Maintenance and Repairs	\$2,663	\$148,785
34	Utilities	\$3,964	\$22,573
35	Adjustments (Pre-paid rent, utilities, etc.)	(\$7)	\$163,669
36	Management	\$1,700	\$10,200
37	Tenant Improvements (Ste. 204)	\$0	\$4,561
38	Leasing Commission	\$4,000	\$4,000
39	Adequate Protection Payment	\$21,127	\$42,254
40	Quarterly U.S. Trustee Fee	0	650
41	Total Cash Disbursements:	\$35,137	\$401,170
42	Net Increase (Decrease) in Cash	(\$3,740)	\$404,530
43	Cash Balance, Beginning of Period	\$187,553	\$3,092,642
44	Cash Balance, End of Period	\$208,362	\$3,497,172

Monthly Report

December 2013

Horizon Ridge Medical Corporation Center, LLC

Prepared by:

**MDL GROUP
3065 South Jones Boulevard
Suite 201
Las Vegas, Nevada 89146
Phone: (702) 388-1800
Fax: (702) 388-1010
www.mdlgroup.com**

Executive Summary

Building Information

Property Address:	2610 Horizon Ridge		
Also known as	Horizon Ridge Medical Center, LLC		
Month Ending	12/31/13	Prepared By:	Judy Clifford, Property Manager

Occupancy

	Sq. Footage	%	
Leased and Occupied	26,108	95%	
Leased NOT Occupied	0		
Vacant	1,452	5%	
Total	27,560	100%	

Changes in Occupancy (Move Outs/Move In)

Tenant	Sq. Footage	Date	Comments
n/a			

Pending Lease Negotiations

Tenant	Sq. Footage	Last Activity Date	Comments
n/a			

Expiring Lease (next 6 months)

Tenant	Sq. Footage	Expiration	Status
Dr. Nancy Sylvanie	161	01/31/13	MTM
Upper V Capital	2,415	02/28/14	Chat negotiates renewals
Deblanc Music	665	01/31/14	MTM
Hair Styling Las Vegas	1,295	04/30/14	Tenant moving out 1/31. New tenant already in place to take over.

Cash Balances

Beginning Cash	\$ 5,960.75		
Ending Balance	\$ 33,186.30		

Income and Expenses

	Current Month	YTD	
Total Income	\$ 31,397.81	\$ 454,358.56	
Total Operating Expense	\$ 10,010.19	\$ 109,069.19	
Tenant Improvement	\$ -	\$ -	
Brokerage Commissions	\$ -	\$ -	
Mortgage Payment (P & I)	\$ -	\$ -	
Mortgage Reserves	\$ -	\$ -	
Net Operating Income (Loss)	\$ 21,387.62	\$ 345,289.37	
Owner Distribution	\$ 21,287.32	\$ 334,927.39	
Owner Contribution	\$ -	\$ -	

Budget Variances (> \$500.00 variances listed only)

Category	Actual	Budget	Comment
Landscaping Contract	\$ -	\$ 550.00	Landscaper quit-mid contract, new landscaper in place as of January.
Sewer	\$ 989.63	\$ 400.00	Over budget estimates.
Tenant Relations	\$ 1,234.79	\$ -	Christmas Party not budgeted.
Water	\$ 1,198.60	\$ 540.00	Over budget estimates.

Delinquencies

Tenant	Current	Total	Comment
Madame Et Monsieur	\$ 5,733.00	\$ 16,423.00	Short pays/late fees. Balance and late fees accruing.
Deblanc Music	\$ 30.06	\$ 30.06	Electric/gas

TI Projects

Tenant	Est. Completion Date		Cost to Finish
n/a			

Capital Projects			
Type	Est. Completion Date		Cost to Finish
n/a			
Additional Comments			
n/a			

Rent Roll
Horizon Ridge Medical Corporate Center, LLC
2610 West Horizon Ridge
December-13

Tenant Name	Unit	Deposit	Lease Start	Leased Exp	Rent	Rent Sq. Ft.	Cam	CAOE per S.F.	Sign	Water/ Sewer	Parking	Total Income	Sq.Ft.	Vacant	Comments
VIP MEDICAL CLINIC & WELLNESS CTR.	100	\$ 5,383.95	05/01/10	04/30/15	\$ 5,383.95	\$ 1.91	-	\$ -	\$ 70.00	\$ 50.00	\$ -	\$ 5,503.95	2,815		
VIP MEDICAL CLINIC & WELLNESS CTR.	101	\$ 2,337.33	05/01/10	04/30/15	\$ 2,269.30	\$ 0.93	-		\$ -	\$ 50.00	\$ -	\$ 2,319.30	2,448		
HAIR STYLING LAS VEGAS LLC DBA															
SALON TRIAGE	102	\$ 2,050.59	12/01/11	04/30/14	\$ 2,050.59	\$ 1.58	-		\$ -	\$ 75.00		\$ 2,125.59	1,295		1-4 Year Option
MADAME ET MONSIEUR	103	\$ 6,639.23	08/01/07	10/31/15	\$ 4,425.00	\$ 1.49	-	\$ -	\$ 35.00	\$ 175.00	\$ 35.00	\$ 4,670.00	2,964		Base Year 2007.
JAGET, LTD	104	\$ 1,979.82	12/12/11	12/31/14	\$ 1,915.12	\$ 1.48	-	\$ -	\$ 35.00	\$ 25.00	\$ -	\$ 1,975.12	1,294		
UNITED HEALTHCARE	105	\$ -			\$ -	\$ -	-	\$ -	\$ -	\$ -		\$ -	3,278		Lease executed 12/13 Possession 1/14
DR. SRINIVAS VUTHOORI	200	\$ 4,191.00	08/01/11	07/31/14	\$ 4,191.20	\$ 1.68	-	\$ -	\$ -	\$ 75.00	\$ -	\$ 4,266.20	2,500		
DR. NANCY SYLVANIE, INC.	201A	\$ 600.00	02/01/08	01/31/13	\$ 525.00	\$ 3.26	-	\$ -	\$ 35.00		\$ 35.00	\$ 595.00	161		Tenant is currently M-M
XIM TECHNOLOGIES, INC.	201H	\$ -	08/01/13	07/31/14	\$ 450.00	\$ 2.53	-	\$ -	\$ -	\$ -	\$ -	\$ 450.00	178		1-1 Year option
KEYSEARCH INTERNATIONAL	201F	\$ 650.00	11/21/03	11/30/04	\$ 650.00	\$ 2.45	-	\$ -	\$ -	\$ -	\$ -	\$ 650.00	265		Tenant is currently M-M
CONFERENCE ROOM	201B				\$ -	\$ -	-	\$ -				\$ -	158		
NATHCO SERVICES, INC	201CDE	\$ 1,550.00	05/01/02	12/31/07	\$ 1,550.00	\$ 2.06	\$ 65.00	\$ 0.09			\$ 70.00	\$ 1,685.00	752		Tenant is currently M-M
HORIZON MANAGEMENT OFFICE	201G				\$ -	\$ -	-	\$ -			\$ -	\$ -	253		On-site property management
CONFERENCE ROOM	201unall				\$ -	\$ -	-	\$ -			\$ -	\$ -	522		
ANTHEM PERIODONTICS	202	\$ 3,905.85	05/01/02	04/30/17	\$ 3,645.46	\$ 1.82		\$ -	\$ 35.00		\$ 35.00	\$ 3,715.46	2,003		Base Year 2003
UPPER V. CAPITAL INC DBA MY SHAPE															
LIPOSCULPTURE SPECIALIST	203	\$ 2,200.00	03/01/11	02/28/14	\$ 3,018.75	\$ 1.25	\$ 966.00	\$ 0.40	\$ -	\$ 100.00	\$ -	\$ 4,084.75	2,415		
DEBLANC MUSIC	204	\$ 1,199.00	02/01/11	01/31/14	\$ 1,195.00	\$ 1.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,195.00	665		Tenant is currently M-M
R2H ENGINEERING, INC.	205	\$ 3,000.00	10/01/13	09/30/18	\$ 2,800.00	\$ 1.22	\$ -	\$ -	\$ -	\$ -	\$ 35.00	\$ 2,835.00	2,300		1-3 Year Option
VACANT	206	\$ -			\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	1,294		
19 Total		\$35,686.77			\$34,069.37	\$ 1.36	\$1,031.00		\$210.00	\$ 550.00	\$ 210.00	\$36,070.37	26,266	1,294	

17 Total Occupied

Total Leased **24,972**
95.07%

2 Total Vacant

Total Vacant **1,294**
4.93%

Balance Sheet (Cash)
HORIZON MEDICAL CENTER - (horizon)
December 2013

29-14

ASSETS

CASH	
Operating Checking	33,186.30
TOTAL CASH	33,186.30

OTHER ASSETS	
Deposits	99.70
Deposits - Other	-312.00
TOTAL OTHER ASSETS	-212.30

TOTAL ASSETS	32,974.00
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LIABILITIES & CAPITAL

LIABILITIES	
Prepaid Rent	25,929.37
Prepaid Cam	966.00
Prepaid Parking Income	70.00
Prepaid Signage	105.00
Prepaid water & sewer	425.00
Tenant Deposits	10,769.17
TOTAL LIABILITIES	38,264.54

CAPITAL	
Capital	330,386.09
Owner Contribution	4,734.55
Owner Distribution	691,187.72
Retained Earnings	350,776.54
TOTAL CAPITAL	-5,290.54

TOTAL LIABILITIES & CAPITAL	32,974.00
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Income Statement (Cash)
HORIZON MEDICAL CENTER - (horizon)
December 2013

	Month to Date	%	Year to Date	%
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RENT INCOME

Rent	29,844.37	95.05	423,173.22	93.14
Parking Income	245.00	0.78	2,135.00	0.47
Signage	175.00	0.56	2,625.00	0.58
NET RENT INCOME	30,264.37	96.39	427,933.22	94.18

EXPENSE REIMBURSEMENT

Passthru Sewer & Water	350.00	1.11	6,700.00	1.47
Estimated CAM Charges	1,031.00	3.28	12,372.00	2.72
Parking	-35.00	-0.11	0.00	0.00
TOTAL REIMBURSEMENT	1,346.00	4.29	19,072.00	4.20

OTHER INCOME

Late Fee	-212.56	-0.68	7,303.34	1.61
Processing Fee	0.00	0.00	50.00	0.01
TOTAL OTHER INCOME	-212.56	-0.68	7,353.34	1.62

TOTAL INCOME

31,397.81	100.00	454,358.56	100.00
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EXPENSES

Operating Exp-Reimbursable

Bank Charges	10.00	0.03	130.00	0.03
Electricity	920.11	2.93	11,949.82	2.63
Elevator Inspec & Repair	0.00	0.00	4,765.66	1.05
Fees	0.00	0.00	77.00	0.02
Fire Alarm Inspection	0.00	0.00	285.00	0.06
Fire Sprinkler Inspection/Service	0.00	0.00	285.00	0.06
Fire Alarm Monitoring	225.13	0.72	2,283.11	0.50
Gas	120.73	0.38	1,446.77	0.32
HVAC - R&M	0.00	0.00	775.00	0.17
Insurance - Package/Umbrella	445.90	1.42	5,137.48	1.13
Janitorial Service	1,250.00	3.98	12,850.00	2.83
Landscaping - Contract	0.00	0.00	6,050.00	1.33
Landscaping Maint. - Extras	0.00	0.00	150.00	0.03
Maintenance Supplies	42.00	0.13	699.63	0.15
Management Fees	1,700.00	5.41	20,400.00	4.49
Office Supplies	0.00	0.00	81.06	0.02
Pest Control	85.00	0.27	1,120.00	0.25
Repairs & Maintenance	470.63	1.50	7,503.67	1.65
Security System	284.98	0.91	1,493.89	0.33
Sewer	989.63	3.15	6,409.39	1.41
Telephone	186.92	0.60	2,004.22	0.44
Tenant Relations	1,234.79	3.93	1,234.79	0.27
Trash Disposal	547.74	1.74	6,577.00	1.45
Water	1,198.60	3.82	8,227.80	1.81
Window Washing	305.00	0.97	1,525.00	0.34

TOTAL Reimbursable Oper. Exp.

10,017.16	31.90	103,461.29	22.77
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NON PASS THRU EXPENSES

Delivery Service Bank Courier	5.47	0.02	68.41	0.02
Electricity	-6.48	-0.02	952.63	0.21
Gas	-5.96	-0.02	258.18	0.06
Postage	0.00	0.00	1.52	0.00

Income Statement (Cash)
HORIZON MEDICAL CENTER - (horizon)
December 2013

	Month to Date	%	Year to Date	%
Repairs & Maintenance	0.00	0.00	4,327.16	0.95
TOTAL Non Pass Thru Exp.	-6.97	-0.02	5,607.90	1.23
TOTAL Operating Expenses	10,010.19	31.88	109,069.19	24.01
Net Operating Inc (Loss)	21,387.62	68.12	345,289.37	75.99
NET INCOME (LOSS)	21,387.62	68.12	345,289.37	75.99